



PRESS OFFICE/Los Angeles

Press Release

Release Date: June 12, 2008

Contact: Kerry Aubry, VEDC (818) 314-4997
vedcmedia@gmail.com

SBA Names San Fernando Valley Financial Development Corporation-- Certified Development Company

Van Nuys, CA- The US Small Business Administration has given its approval for the San Fernando Valley Financial Development Corporation (SFV-FDC) to operate as a Certified Development Company. The SBA 504 Certified Development Company Program provides growing businesses with long-term, fixed rate financing for major fixed assets, such as land and buildings. The program is designed to enable small businesses to buy their own buildings with a 10% down payment. The SFV-FDC is the only 504 CDC in the Greater San Fernando Valley area.

The 504 Loan Program allows small business owners to purchase an industrial or commercial building at below-market interest rates. The loan may also be used to purchase or remodel an existing building, construct a new facility or to purchase equipment that has an economic life of at least 10 years. The CDC/504 loan program is a long-term financing tool for economic development within a community. The goal of a Certified Development Company is to contribute to the economic development of its community. CDCs work with the SBA and private-sector lenders to provide financing to small businesses.

Alberto G. Alvarado, District Director for the Los Angeles Office of the SBA said, "We are proud to welcome SFV-FDC to our family of CDCs providing lending services to our local entrepreneurs. SBA applauds SFV-FDC for their expressed willingness to fund underserved businesses in the greater San Fernando Valley to ultimately create jobs and improve neighborhoods."

The SFV FDC, an affiliate program of the Valley Economic Development Center, administers the State Loan Guarantee Program with the support of the California Business Transportation and Housing Agency. The California Loan Guarantee Program enables businesses to obtain term loans, lines of credit or letters of credit for which they could not otherwise qualify. Since its inception, the SFV-FDC has secured bank loan guarantees for 164 businesses totaling over \$30 million in loans, resulting in the creation and retention of 3,200 jobs in Los Angeles and Ventura County area.

Roberto Barragan, President of the SFV-FDC says of this distinction, "After over two years and countless man-hours by dedicated staff, the Board of Directors and I are proud to say that we have achieved a five year dream, to become the first new Certified Development Corporation licensed in almost 25 years in the Los Angeles region.

Along with our existing state guarantee program, we will seek to support over \$50 million in new lending over the next year. We look forward to working with all area banks, national, regional, and denovo to provide 504 lending to businesses seeking to own their own building.”

###